

25X1

SECRET

Ex Dir Memo Chron

17 APR 1984

25X1

MEMORANDUM FOR: DCI
DDCI

SUBJECT : Implementation for The Economic Challenge:
Issues, Capabilities, and New Initiatives

1. I have received the implementation plan from [] and the Executive Committee working group which produced the original report, The Economic Challenge. The Executive Summary of the plan is provided in Tab A. The plan has been personally reviewed by the ADDO and ADDS&T -- who were members of [] group -- as well as by the DDI.

2. Talking points for you to use with Secretaries Regan, Shultz, and Baldrige, and with Bud MacFarlane are in Tab B. You should be aware that after discussions around town, [] convinced the ExCom working group that using the SIG-IEP is bureaucratically more feasible than reestablishing the Economic Intelligence Advisory Committee, as suggested in the initial report to the ExCom. In addition, I am asking each Deputy Director to begin actual implementation of the initiatives based on the plan that has been developed.

3. As a final thought, I believe it is essential for you to have a periodic assessment on the actual status of implementation. I recommend that the [] group provide a status report on implementation after six and twelve months. At that point a decision can be made whether an annual follow-up report is in order.

4. The background you asked for on the history of the present Economic Intelligence Committee is in Tab C.

151
[]
Executive Director

Attachments:
As stated

This memorandum is classified SECRET
when separated from attachments

CL BY Signer
DECL OADR

SECRET

25X1

Page Denied

Next 17 Page(s) In Document Denied

25X1

CONFIDENTIAL

DIRECTOR OF CENTRAL INTELLIGENCE
Economic Intelligence Committee

13 APR 1984

MEMORANDUM FOR: Director of Central Intelligence

FROM :

Chairman

SUBJECT : Your Request for Additional Information on the
History of the Economic Intelligence Committee

1. The Economic Intelligence Committee is the oldest of the interagency intelligence committees and was highly active in the 1950s and 1960s. During that period it was the central tasking organization for economic intelligence, maintained an annual production schedule, and reviewed economic research. By the mid-1970s, however, the EIC was increasingly moribund. The principal problem was that most of the community's resources resided in CIA's Office of Economic Research (OER). Indeed, the decline of the EIC coincided with the development of the strong economic analysis and intelligence program in the CIA. Operations elsewhere were small and played a very minor role in the production of economic intelligence. During the past ten years, the EIC did very little. The primary vestige is the Requirements and Coordination Subcommittee of the EIC which is responsible for the preparation of the Economic Alert List. This is essentially the situation I inherited in October 1981.

2. The EIC's primary focus is as a forum of producers and consumers that:

- o Monitors the usefulness of economic intelligence requirements;
- o Works as an early warning system to identify critical economic issues that might not be receiving adequate attention; and
- o Reviews selected economic intelligence studies that could raise contentious issues among producers and/or collectors.

3. Over the past year the EIC reviewed the three intelligence community's requirements and evaluation programs relating to economic intelligence -- the Economic Alert List, the National Humint Collection Program, and the Economic Reporting Program of the Department of State. Last winter the EIC reviewed the CIA's Soviet oil study, enabling EIC members to thoroughly discuss this important study prior to its publication.

Entire Memorandum is classified
CONFIDENTIAL

CONFIDENTIAL

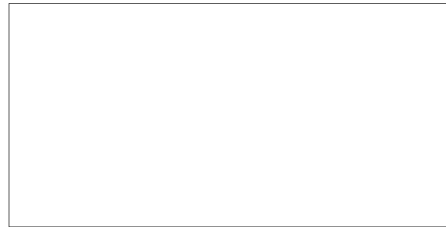
25X1

CONFIDENTIAL

4. The EIC operates effectively without a fulltime staff because of its relatively narrow focus described above. EIC working groups are formed as needed to accomplish specific tasks.

5. Last spring the EIC decided that, unlike some other intelligence community committees, we should not expand into the production of intelligence nor go beyond our present policy of reviewing only selected papers. It was our view that expanding the EIC's role would needlessly duplicate efforts elsewhere in the intelligence community.

25X1



CONFIDENTIAL